Introduction

In 1968, a wildcat rig drilling on Alaska's North Slope struck the vast petroleum reserve now known as Prudhoe Bay. Estimated to contain 9.6 billion barrels of crude oil and over 26 trillion cubic feet of saleable natural gas. Prudhoe Bay constitutes the largest of the United States' reserves. The Trans Alaska Pipeline System is currently transporting over one million barrels of Prudhoe Bay crude oil daily to southern Alaska for shipment to ports in the United States. Part of the natural gas in this reserve is in solution with the oil and part of it is in a free gas cap above the oil reservoir. Thus, as the oil is extracted, some natural gas is also removed. Until this gas can be marketed it will be reinjected into the reserve for future use. The Alaska Natural Gas Transportation System will provide a means to transport this vast quantity of natural gas to consumers in the Lower 48 States. The initial daily output will be equivalent to about 450,000 barrels of oil.

The Project

The Alaska Natural Gas Transportation System will be an overland pipeline of varying diameters designed to carry about 2.4 billion cubic feet of natural gas daily from Prudhoe Bay, Alaska, to homes and industries in the lower 48 states. At a cost of over $20 billion it will be the largest privately-financed construction project ever undertaken anywhere. It will supply about five percent of our Nation's gas needs for the 25-year life of the project, based on current use rates.

The entire project stretches 4,800 miles from Prudhoe Bay, on the northern coast of Alaska, along the route of the Trans Alaska Oil Pipeline to Delta Junction, south of Fairbanks. There the gas line turns southeast and continues south into Canada, generally following the Alaskan-Canadian highway. Just north of Calgary it splits into two legs—the West Leg going to Antioch, California and the East Leg almost to Chicago. Construction is scheduled to start in 1981 on the two lower Legs. The last portion to be built, the Alaskan segment, is now scheduled for completion in 1985.

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ALASKA NATURAL GAS TRANSPORTATION SYSTEM
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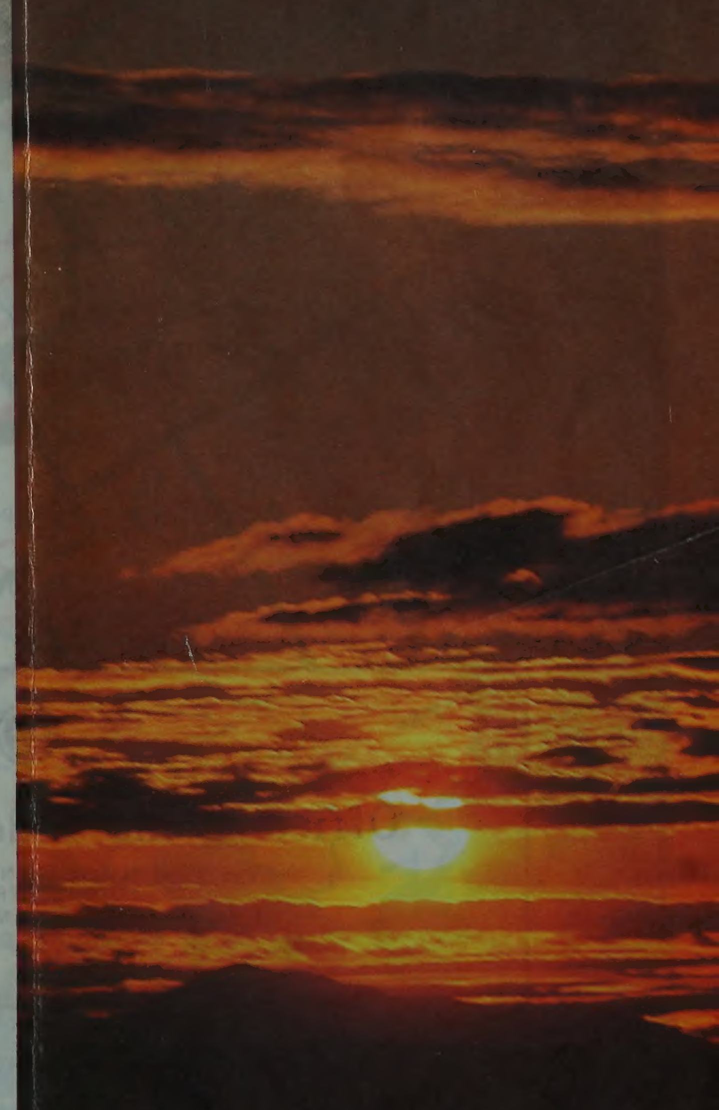
A map of the

ALASKA NATURAL GAS TRANSPORTATION SYSTEM



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Photos: Steucke

Cover: Sunset at the Arctic Circle. Above: Rugged snow covered mountains in August.

Legislative History

The U.S. Congress enacted the Alaska Natural Gas Transportation Act on October 22, 1976, setting out a series of innovative procedures to expedite the selection, approval and construction of a natural gas pipeline system to bring Alaskan gas to lower 48 markets. After receiving a recommendation from the U.S. Federal Power Commission (now the Federal Energy Regulatory Commission), the President in September 1977 selected a route and applicant. Congress in November of that year approved the President's selection.

Office of the Federal Inspector

The Office of the Federal Inspector is a small but unique, independent entity created by Congress and the President specifically to expedite and oversee construction of the Alaska Natural Gas Transportation System. Congress in its 1976 legislation clearing the way for the project included the requirement that a single individual, to be called the Federal Inspector, be appointed to be responsible for assuring that the project is built as timely as possible, without excessive cost overruns, and with minimal harm to the environment. It included that requirement because the undertaking is itself unique in size and in importance to the Nation's energy future, and in light of the delays and large cost overruns that have in the past plagued large construction projects, such as the Trans-Alaskan Oil Pipeline.

The exact duties of the Federal Inspector were not defined until Reorganization Plan No. 1 was signed by the President on June 11, 1979. The concepts of that Plan were set out in Executive Order No. 12142, signed by the President on June 21. These three Presidential documents combined to implement the intent of Congress embodied in the ANGTA of establishing the Office of the Federal Inspector, which officially came into being July 1, 1979.

O.F.I. Responsibilities

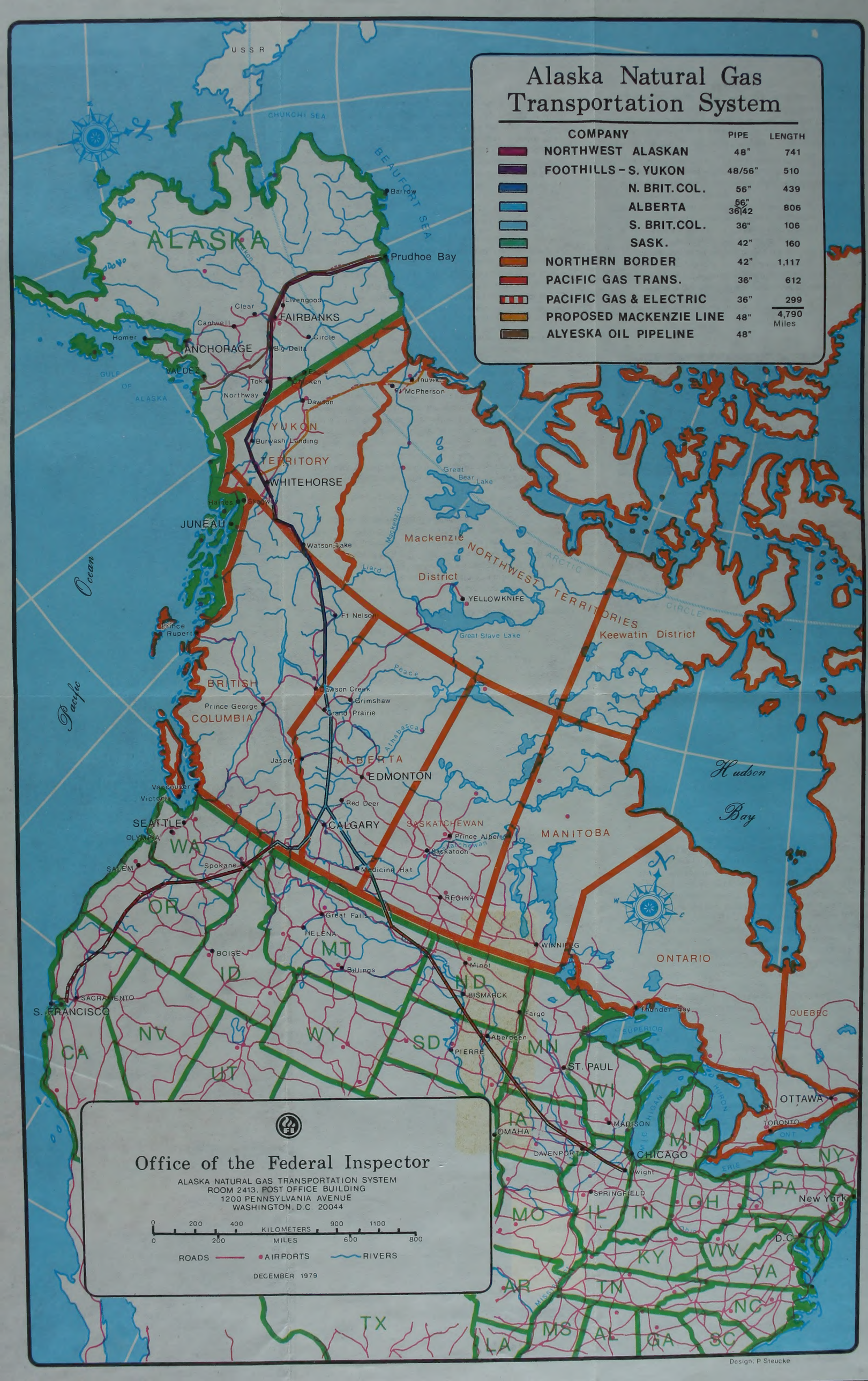
The Federal Inspector is an independent entity within the executive branch, established to oversee all construction and initial operation of the U.S. portions of the pipeline. He will coordinate and schedule actions of the eight Federal agencies which must approve some aspect of the project; monitor construction; and enforce all certificates and conditions issued by the agencies. He will be the "one window" for receipt of all data and permit applications and for issuance of all permits.

The Alyeska oil pipeline transports oil from Prudhoe Bay, Alaska, to Valdez. Below: The Alaska-Canadian highway under construction by the U.S. Army in 1942.

Specifically, the Federal Inspector will:

1. coordinate the scheduling and issuance of all Federal permits and related activities to assure timely and unified decisions;
2. monitor activities to assure that cost control, safety, and environmental protection objectives are fulfilled while still meeting the project completion schedule;
3. keep the President and Congress informed on project progress, including potential delays or problems;
4. establish a joint surveillance and monitoring agreement with the State of Alaska; and
5. enforce all Federal statutes which affect the project, assuring that the builders are complying with all conditions or stipulations attached to any Federal approvel.

Although the Federal Departments of Transportation, Energy, Interior, Agriculture, Treasury, the Environmental Protection Agency, U.S. Army Corps of Engineers, and the Chairman of the Federal Energy Regulatory Commission retain their authority to issue necessary permits and certificates, the Federal Inspector must assure that the agencies make these authorizations in timely fashion.


Alaska Natural Gas Transportation System
COMPANY | PIPE | LENGTH
NORTHWEST ALASKAN 48" 741
FOOTHILLS – S. YUKON 48/56" 510
N. BRIT. COL. 56" 439
ALBERTA 56" 36/42 806
S. BRIT. COL. 36" 106
SASK. 42" 160
NORTHERN BORDER 42" 1,117
PACIFIC GAS TRANS. 36" 612
PACIFIC GAS & ELECTRIC 36" 299
PROPOSED MACKENZIE LINE 48" 4,790 Miles
ALYESKA OIL PIPELINE 48"
USSR
CHUKCHI SEA
BEAUFORT SEA
Barrow
ALASKA
Prudhoe Bay
Clear
Livengood
FAIRBANKS
Cantwell
Homer
Circle
ANCHORAGE
Big Delta
VALDEZ
GULF OF ALASKA
Tok
Eagle
Ken
Northway
Dawson
Inuvik
McPherson
YUKON TERRITORY
Burwash Landing
WHITEHORSE
Great Bear Lake
Haines
Skagway
JUNEAU
Watson Lake
Mackenzie
NORTHWEST TERRITORIES
ARCTIC CIRCLE
Liard
District
YELLOWKNIFE
Ft Nelson
Prince Rupert
Great Slave Lake
Keewatin District
Pacific Ocean
BRITISH COLUMBIA
Peace
Dawson Creek
Grimshaw
Prince George
Grand Prairie
Athabasca
Jasper
ALBERTA
EDMONTON
Hudson Bay
Vancouver
Victoria
Red Deer
SEATTLE
CALGARY
SASKATCHEWAN
Prince Albert
MANITOBA
OLYMPIA
WA
Saskatchewan
Saskatoon
SALEM
Spokane
Medicine Hat
REGINA
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